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10 DOWNING STREET

From the Private Secretary

23 April 1985

CALL BY THE NEW CANADIAN HIGH COMMISSIONER

Mr. McMurtry paid his initial call this morning on the Prime Minister and left his letter of introduction, a copy of which I enclose.

The Prime Minister told Mr. McMurtry how much she was looking forward to a substantial discussion with Mr. Mulroney on 30 April. She will, I think, wish a fair part of this to be either tete-a-tete or in a very restricted group.

(C. D. POWELL)

C.R. Budd, Esq.,
Foreign and Commonwealth Office.

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Prime Minister Foreign and Commonwealth Office

London SW1A 2AH

22 April 1985

This is just a brief
courtesy call - 15 minutes -
which might focus on
Mr. Mulroney's forthcoming
visit.

Dear Charles,

C.D.P. 22/4.

Call by New Canadian High Commissioner

The new Canadian High Commissioner will call on the Prime Minister at 0930 on 23 April. I attach a biographical note, together with a short brief on Anglo-Canadian relations and a note on the Canadian political and economic scene.

Mr McMurtry made his initial calls at the FCO, including the Foreign Secretary, on 18 April. An audience with The Queen will be arranged as soon as possible after Her Majesty's return to London in early May.

During his initial calls Mr McMurtry spoke of trying to identify fields for new initiatives in UK-Canada relations. Following her meeting with Mr Turner last July, the Prime Minister instructed that we should look for practical measures to strengthen Anglo-Canadian relations (your letter of 6 August refers). Action is in train on a number of fronts, and we shall be letting you have a round-up report with the briefing for the Mulroney visit.

Mr McMurtry stressed that Britain should not be suspicious of the highly publicised but necessary fence-mending which Mr Mulroney had undertaken with President Reagan. Mr Trudeau's rather abrasive stance towards the United States (including a long-remembered visit to Cuba) had led to a particularly uneasy period in what was always bound to be a delicate relationship with the giant neighbour. Mr Mulroney was determined to set that straight but the Irishness of it all had been rather over-done.

Yours ever,
Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street



McMURTRY, THE HON (ROLAND) ROY QC

High Commissioner for Canada to Britain. (With effect from 15 April 1985.)

Born in Toronto, May 1932.

Educated at University of Toronto (modern history, 1954), Osgoode Hall Law School (1958). Called to the Bar 1958: QC 1970.

He practiced law for 17 years before being elected to the Ontario Provincial Legislature in 1975. Appointed Attorney-General for Ontario two weeks later, a post which he held throughout his time in the Ontario Government. He was also Solicitor General 1978-82.

He ran for the Provincial Progressive Conservative leadership in 1985, but started late, being a loyal supporter of the incumbent, William Davis. He failed to build up a following among the party rank and file, and in consequence finished last at the convention in January 1985. He had nevertheless gained a considerable popular following in the province.

A close friend of Prime Minister Mulroney, whose bid for the federal Tory leadership he supported in 1976 and 1983.

He has been outspoken on many legal/political issues, and has been a high-profile provincial Minister, prominent within Ontario, and also very visible at the federal level, especially when he took a leading part in the 'kitchen cabinet' negotiations preceding patriation of the Constitution. He has a strong sense of social justice, but a tough view of criminal law.

He is an astute politician, though his intellectual nimbleness is not very apparent in his personal appearance: he is heavily built, rather lumbering with heavy eyes. A bit of a loner in some ways.

/Interests:



Interests: landscape painting and community service.

Married. His wife, Riajean (pronounced with i as in ride), shares those interests but has not played a prominent part in his political life. Six children.

NORTH AMERICA DEPARTMENT
17 April 1985



From: P J Fowler, NAD

Date: 22 April 1985

INITIAL CALL BY THE NEW CANADIAN HIGH COMMISSIONER, 23 APRIL 1985

ANGLO-CANADIAN RELATIONS

Points to make

1. UK's relationship with Canada important and valued. Looking forward to Prime Minister Mulroney's official visit on 28 April-1 May and to developing relations with his Progressive Conservative government (elected September 1984).
2. We welcomed the new Canadian Government's strong support for the NATO Alliance and moves to strengthen its defence contribution.
3. Officials are working on new ideas for strengthening links.

Points Mr McMurtry might raise

4. New Canadian Government's stress on improving relations with USA, eg Reagan visit to Quebec in March, not meant to downgrade relations with UK and EC.
5. Importance of good Canadian TV coverage of Mr Mulroney's visit. (We are doing what we can to help.)
6. **Renewal of EC Ban on Seal Skins and Products:**
We told the Canadians we should support a three year extension of the current EC ban - to preempt EC Commission pressing for a permanent ban - but Ministers will consider further before taking a definitive view.
7. Non-payment of pension increases to British pensioners in Canada. We understand that Mr Mulroney may raise this. We see no immediate prospect of obtaining the necessary finance but the question is being kept under review.



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Background

- / 8. Mr Mulroney's Visit: A copy of the programme is attached.
9. There are frequent ministerial visits between Canada and the UK. Mr Clark, Secretary of State for External Affairs, visited London as HMG's guest in December 1984. Miss Carney, Minister for Energy, Mines and Resources, will visit the UK in June at the invitation of Mr Walker. UK Ministers currently due to visit Canada are the Minister for Defence Procurement (22-26 April), Lady Young (24-30 May), and the Minister of State DTI (16-20 June).
10. Work is in hand to strengthen Anglo-Canadian links eg by Parliamentary delegation visits (one each way in 1984); regular meetings on the lines of the Dalhousie University Colloquium in May 1984, to include academics, businessmen, officials and professional people. A seminar on 'Britain, Canada and the Commonwealth' is being held in Leeds at the end of May.
11. The new Canadian Government is pledged to increase defence spending, despite a massive deficit. It has reached agreement with the US on a jointly funded New Early Warning radar net and will increase the number of Canadian troops in Europe.
- / 12. Seals: FCO telno 118 to Ottawa, attached, gives background.
- / 13. A separate note is attached giving detail on the political and economic situation in Canada and in Ontario (Mr McMurtry's Province).



VISIT OF CANADIAN PRIME MINISTER : 28 APRIL - 1 MAY 1985

SUNDAY 28 APRIL

10 am (approx) Arrive London Heathrow Southside by Canadian Armed Forces special flight

Met by Lady Young

RAF Ceremonial Guard

Drive to Inn on the Park (main party) and Intercontinental Hotel (remainder)

[Private - Dinner at Waterside Inn, Bray]

MONDAY 29 APRIL

11 am - 11.45 am Mrs Mulroney to visit Canadian exhibit at Commonwealth Institute

12.30 pm for 1 pm Luncheon hosted by Canadian High Commissioner (to include some British businessmen)

3 pm - 3.25 pm Visit The London International Financial Futures Exchange

5 pm - 7 pm Reception hosted by Canadian High Commissioner, Canada House

Evening Theatre party (Starlight Express) - hosted by a Minister

TUESDAY 30 APRIL

11 am Laying a wreath at the Grave of the Unknown Warrior, Westminster Abbey

11.30 am - 12.45 pm Talks at No 10 (Photo call)

8.15 pm Dinner at No 10

WEDNESDAY 1 MAY

12.15 pm Call on HM Queen Elizabeth The Queen Mother at Clarence House

1 pm Luncheon with Her Majesty The Queen, Buckingham Palace

7 pm Departure London Heathrow Southside
Special Representative will bid farewell

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TELEGRAM NUMBER 118 OF 19 APRIL

AND TO UKREP BRUSSELS

FCO TELNO 112: EC BAN ON SEAL SKINS AND PRODUCTS

1. FOLLOWING IS TEXT OF WRITTEN REPLY TO PQ ON 18 APRIL BY MR WALDEGRAVE.

BEGINS.

QUESTION

TO ASK THE SECRETARY OF STATE FOR THE ENVIRONMENT WHETHER HE WILL SUPPORT THE EXTENSION OF THE EC DIRECTIVE BANNING THE COMMERCIAL IMPORT OF HARP AND HOODED SEAL PUP SKINS AND PRODUCTS WHEN IT EXPIRES IN SEPTEMBER?

ANSWER.

THE GOVERNMENT REMAINS CONCERNED ABOUT CONSERVING SEALS. CONSCIOUS OF PUBLIC ANXIETY, WE WILL BE DISCUSSING A RANGE OF OPTIONS FOR THE EXTENSION OF THE EXISTING BAN WITH OUR EUROPEAN COLLEAGUES IN THE COMING MONTHS, TAKING ACCOUNT OF ALL THE VIEWS THAT HAVE BEEN EXPRESSED.

IN ADDITION, THE GOVERNMENT WILL SUPPORT A SWEDISH PROPOSAL TO INCLUDE HOODED SEALS ON APPENDIX II OF THE CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA (CITES), WHICH WILL BE CONSIDERED AT THE FIFTH CONFERENCE OF THE PARTIES TO THE CONVENTION WHICH BEGINS NEXT WEEK. THIS WOULD PROVIDE A MEASURE OF PERMANENT PROTECTION FOR ALL HOODED SEALS - ADULTS AND THEIR PUPS - BECAUSE THERE CAN BE NO TRADE IN SPECIES LISTED IN APPENDIX II EXCEPT UNDER STRICT LICENSING CONTROLS.

ENDS

2. FOR REASONS YOU ALREADY KNOW (TELECONS PUBLICOVER/LEWINGTON AND BROWNE/LEWINGTON) THIS IS NOT THE LINE PRESAGED IN TUR. IN HANDING OVER TO THE CANADIANS THE TEXT OF THE PQ REPLY YOU SHOULD, AT THIS STAGE, SAY ONLY THAT FOLLOWING MR FRASER'S LETTER

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OF 18 APRIL TO THE SECRETARY OF STATE FOR THE ENVIRONMENT, MINISTERS WILL BE CONSIDERING FURTHER THE UK POSITION ON RENEWAL OF THE COMMUNITY BAN. WE CANNOT OF COURSE PREDICT WHAT THE OUTCOME MAY BE.

3. (UKREP ONLY) IN SPEAKING TO THE COMMISSION YOU MAY WISH TO ADD THAT IT HAS NOT YET PROVED POSSIBLE FOR MINISTERS TO REACH A DEFINITIVE POSITION ABOUT THE FUTURE OF THE BAN: WE WILL NEVERTHELESS WISH TO KEEP IN CLOSE TOUCH WITH THE COMMISSION ONCE MINISTERS HAVE CONSIDERED FURTHER.

HOWE

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1. The first six months of Mr Mulroney's office has been a period of settling in and consultation on virtually every aspect of Government (the economy, defence, foreign policy, foreign trade, social benefits, energy policy etc). His principal policies, outlined in the speech from the Throne on 5 November are national reconciliation and national consensus (after the divisive years of Mr Trudeau's Government), the need to bring Quebec into the constitutional framework, economic renewal, social justice, the strengthening of the free market economy, the encouragement of foreign investment in Canada, the liberalisation of the National Energy Policy, closer relations with the United States, and commitment to strengthen Canada's defence efforts, give more support to NATO and to promote peace and nuclear disarmament.
2. In his Economic Statement on 8 November, the Finance Minister announced measures to reduce the budget deficit (C\$34.5 billion) and stimulate the economy. A full budget is expected in the week beginning 22 May.
3. The Canadian economy is very dependent on exports to the US. After falling sharply in 1982 it grew strongly all last year as the US economy recovered: Canadian GNP rose by more than a quarter. In the first two quarters of 1984, however, growth slowed down to an annual rate of around 3%, and a further slowdown is generally expected in 1985 as US growth lessens and high interest rates continue to depress activity.
4. Canada has not been nearly as successful as the US in reducing unemployment. Despite rapid growth in 1983 unemployment only fell from 12½% early last year to just over 11% at the end of the year; it then started to rise again and was 11.3% in September, and is one of Mr Mulroney's main economic challenges.
5. Canada has a healthy surplus in merchandise trade, due almost exclusively to exports to the United States (C\$11 billion out of a total surplus of C\$12 billion). Canada's imports from the UK increased by 41% in the second quarter of 1984 compared with the



st seven months of 1983. More than half of this growth was in crude petroleum sales, but there were also significant increases in Canadian imports of British transportation and high technology equipment.

Ontario

6. Ontario is the third largest land area in Canada: 412,582 square miles (four times the size of Britain). The population is 8.8 million (36% of the country's total). Toronto, the provincial capital, is Canada's largest city, with a population of almost three million. It is the world's sixth largest financial centre. Four of every five Canadian national companies have their head offices here.

7. Ontario is responsible for 37% of Canada's GDP. It produces more than half the country's manufactured goods; 80% of its steel. The province is a major producer of nickel, copper, gold, silver, iron and uranium. It has large agricultural and forestry sectors. The commercial and financial activity that takes place within 50 miles of Toronto generates half the federal Governments total revenue. About 60% of British exports to Canada go to Ontario.

8. Ontario has had a Progressive Conservative (PC) Government for the last 42 years. The PC Party has 72 seats in the Legislature, the Liberal Party 28 and the New Democratic Party 22. The provincial Premier is Frank Miller who was elected leader of the provincial PC Party in January to succeed William Davis who had been Premier for thirteen years. Mr Miller was sworn-in on 8 February, and has called an election for 2 May.

North America Department
Foreign and Commonwealth Office
16 April 1985

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